

EXHIBIT K

Everett Chevrolet

From: david.frederickson@gm.com
Sent: Thursday, March 06, 2008 4:11 PM
To: johnr@evchev.com
Cc: jay.a.malott@gm.com; jim.gentry@gm.com; troy.freeman@gm.com
Subject: Thank you...

John,

I just wanted to send you a quick note to say thank you for spending the time with us Tuesday night to talk through our challenges with the Everett Chevrolet property. We recognize that you took time out of your evening to do so, and it is greatly appreciated. I think we all agree that the issues we face are extremely important, and reaching a swift but fair solution is imperative. To that end, I believe it is critical that we maintain clear communication as we proceed to avoid any future misunderstandings. Therefore, I have briefly summarized some of the key points of our discussion, and certain action items, below:

- Based on a review of the past documents and correspondence, it the position of Argonaut Holdings Inc. ("Landlord") that the option to purchase under the Master Lease has not been exercised. Although there is record of correspondence that would indicate Everett Chevrolet-Geo, Inc. ("Tenant") had an intent pursue a purchase of the property, there is no evidence that a notice of Tenant's election to exercise the option to purchase in accordance with the terms of the Master Lease was ever delivered to Landlord. Additionally, the terms and conditions at which Tenant was prepared to proceed with a purchase, as articulated in the correspondence that is on file, was drastically inconsistent with the option terms under the lease, and thus cannot be construed as a valid exercise of the option.
- At this time, the Option Period under the Master Leases for both properties has expired.
- Although the Option Periods have expired, GM Worldwide Real Estate intends to pursue the opportunity to offer the property for sale to the Tenant, however, at this time is unable to do so due to the constraints imposed by the Corporation's initiative for AHI to sell these properties as part of a large portfolio sale. GM-WRE will monitor the status of the portfolio sale and continue to pursue the special dispensation for the approval needed to separate this property from the portfolio. However, Tenant has been explicitly advised that the authority to make these decisions falls outside of the control of GM-WRE and AHI.
- At this time, neither GM-WRE nor AHI have made any indications as to the price at which these properties are to be sold, whether as part of a large portfolio sale, or otherwise. Although GM-WRE did provide Tenant with the current Total Project Cost for these properties, this act should in no way be misconstrued by the Tenant as an indication of the properties value, or the price at which AHI would be prepared to sell. Only if and when the approval were granted to separate these properties from the portfolio sale will GM-WRE and AHI begin to evaluate the terms of a proposed sale, including price.
- GM-WRE has emphasized to Tenant that as distinct and separate issue from the potential sale of the property, the rental rate per the terms of the lease is overdue for recalculation and adjustment. Tenant has been provided with a notice indicating the Landlord's findings of fair market rent for the property, yet Tenant has failed to respond to that notice. At this time, Landlord has implemented the adjustment based on its findings of fair market rent, however, Tenant has not its monthly rental payments nor begun any repayment of the retroactive rent now due and payable.
- Per our discussion, Landlord will re-issue the rent recalculation letter to Tenant, with a deadline by which Tenant must either agree to the rent recalculation or formally, in writing, notify Landlord of Tenant's intent to dispute Landlord's findings. That letter will be issued immediately and Tenant shall have until Friday, 3/11/08 to respond.

I hope you find my summary of our discussion to be accurate. If you have any additional comments or concerns, please do not hesitate to share them. Otherwise, Troy Freeman drafted a revised rent letter and placed in the today's Fed Ex for delivery tomorrow. Once you receive the letter, please contact Troy or myself with any

3/10/2008

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Regards,

DWF

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